



INSPECTOR GENERAL REPORT

2007-02-0046

March 29, 2007

MARION COUNTY EBT FRAUD

Inspector General David O. Thomas, after an investigation by FSSA Investigator Dave Brown, FSSA Program Integrity Field Consultant Nancy Lowry, OIG Special Agent Alan McElroy and assistance from OIG Staff Attorney Amanda Schaeffer, reports as follows:

This investigation involved a Marion County Family and Social Services Administration (FSSA) caseworker who allegedly created false welfare recipient accounts in order to wrongfully obtain welfare benefits.

In February of 2007, the Office of the Inspector General (OIG) was made aware of an ongoing FSSA investigation of a caseworker suspected of creating false welfare recipient accounts. OIG Special Agent Alan McElroy was assigned and worked with FSSA investigator Dave Brown of FSSA and Nancy Lowry, an FSSA Program Integrity Field Consultant.

The investigation of Indianapolis FSSA caseworker Marilyn Capps (aka Marilyn Caraway) began in September of 2006. A caseworker has the duty to approve and monitor public assistance benefits to qualified recipients. In that month, Capps added additional persons and benefits into one of her welfare recipient cases. The cumulative amount of benefits that was to be awarded to the welfare recipients exceeded

the allowable limit of \$1,500 per month. Because the system would not allow this payment beyond this limit, no payment was issued. Instead, the supervisor at the FSSA office received an alert that this benefit payment was over the maximum amount to be paid at one time. This information aroused suspicion and was relayed to Lowry and Brown for investigation.

Lowry began a review of Capps' caseload and five potentially fraudulent cases were identified. The cases were suspicious because they only had a computer file, as opposed to both the required computer file and a separate hard file with paper documents. Investigators closely examined the five suspicious cases and found that all of the cases contained addresses that did not exist.

Because mail will return to an FSSA office when a recipient's address is invalid, the investigators deduced that this was Capps' method to receive the benefits from the fraudulent recipient accounts without having the cards actually mailed to her residence.

Many of the names used in the false cases were also names that were previously used by Capps in her own valid welfare case, indicating that these names were people she knew or had originally fabricated in her own welfare case.

Investigators preliminarily calculate the amount of the fraud to total \$24,000.

Investigators also discovered the existence of an outstanding warrant for Capps in Pennsylvania for a 1999 case in which she was charged with forgery and conspiracy to commit forgery. Investigators likewise learned that Capps became aware of their investigation because an office friend telephoned Capps and told her that investigators were searching her desk. This combined information led investigators to believe that Capps was a flight risk. Special Agent McElroy immediately drafted a probable cause

affidavit to have Capps arrested. This affidavit was accepted by Marion County Judge Sheila Carlyle on March 2, 2007, and the filing of criminal charges against Capps followed immediately thereafter for the felony offenses of theft, welfare fraud, and official misconduct.

Dated this 29th day of March, 2007.

A handwritten signature in black ink, appearing to read "David O. Thomas". The signature is written in a cursive, flowing style.

David O. Thomas, Inspector General